



Department of Justice

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ARKANSAS ATTORNEY INDICTED ON MONEY LAUNDERING, FRAUD AND OBSTRUCTION OF JUSTICE CHARGES

WASHINGTON, D.C. – The Department of Justice announced that a federal grand jury in Detroit, Michigan, today indicted a Little Rock attorney in connection with a kickback scheme used to defraud a Troy, Michigan, audio-visual company.

The seven-count indictment, which was filed in U.S. District Court in Detroit, charges Bobby Keith Moser of Little Rock with one count each of conspiracy to commit money laundering, conspiracy to commit wire and mail fraud, mail fraud, obstruction of justice, false statements before a grand jury, and two counts of wire fraud.

According to the charges, Moser and his co-conspirators willfully devised a scheme that permitted an executive of an audio-visual company in Troy, Michigan to solicit and obtain kickbacks from programmers seeking contracts from his company in exchange for the executive's support in contract negotiations and the award of contracts to the programmers. He allegedly solicited the kickbacks without the knowledge or authorization of his employer. According to the charges, from May 2000 to November 2001, Moser, the company executive and other co-conspirators solicited kickbacks from vendors totaling more than \$3.5 million. The indictment charges that in furtherance of the scheme Moser, among other things, caused the interstate shipment of materials via Federal Express and participated in conspiratorial telephone calls.

“This type of scheme deprives companies of their right to the honest services of their employees and to fair and competitive prices, which ultimately also harms consumers,” said James M. Griffin, Deputy Assistant Attorney General in charge of the Antitrust Division’s Criminal Enforcement Program.

In addition, Moser and others allegedly conspired to conduct and attempt to conduct financial transactions to conceal and disguise the nature, source, ownership, and control of the proceeds and attempted proceeds of the scheme to defraud. These alleged financial transactions include having monies paid to separate corporations, using phony consulting contracts, purposely misidentifying the presidents of corporations purportedly doing consulting work, establishing multiple financial accounts to receive and distribute the kickback monies, and establishing phony financial relationships between the executive and other conspirators.

Moser is also being charged with obstruction of justice and making a false declaration before a grand jury. According to the charges, Moser, provided altered and manufactured documents to a grand jury sitting in the Eastern District of Michigan. Moser, according to the indictment, signed, under oath or under penalty of perjury, an Affidavit of Compliance which falsely declared that the documents produced to the grand jury were made at or near the time identified on each particular document and that the documents were kept in the ordinary course of business.

Moser is charged with conspiracy to commit wire fraud and mail fraud in violation of 18 U.S.C. § 371, mail fraud in violation of 18 U.S.C. § 1341, and wire fraud in violation of 18 U.S.C. § 1343, each of which carries a maximum penalty, per count, of five years imprisonment, three years of supervised release, and a \$250,000 fine. The conspiracy to commit money laundering charge, in violation of 18 U.S.C. § 1956(h), carries a maximum sentence of twenty years imprisonment, three years of supervised release, and a \$500,000 fine. Obstruction

of justice, an 18 U.S.C. § 1503 violation, has a maximum penalty of ten years imprisonment, three years of supervised release, and a \$250,000 fine. The maximum penalty for making false statements before a grand jury, in violation of 18 U.S.C. § 1623, is five years imprisonment, three years of supervised release and a \$250,000 fine. The maximum fines may be increased to twice the gain derived from the crime or twice the loss suffered by the victim of the crime, if either of those amounts is greater than the statutory maximum fine.

The charges announced today resulted from an ongoing federal antitrust investigation of anticompetitive conduct in the video duplicating and replicating industries. The investigation is being conducted by the Antitrust Division's Cleveland Field Office with the assistance of the Detroit office of the Federal Bureau of Investigation and the Detroit office of the Internal Revenue Service, Criminal Investigation Division.

Anyone with information concerning bid rigging, bribery, fraud, or money laundering in the retail video duplicating or replicating industry should contact the Cleveland Field Office of the Antitrust Division at (216) 522-4014 or the Detroit office of the FBI at (313) 237-4169.

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